

REMARKS

Initially, applicants acknowledge with appreciation the allowance of claims 1, 3, 5, 7, 11, 13, 15, 17, 19, 21, 23 and 25.

The Office has removed the 35 U.S.C. § 103(a) rejection of claim 2 and the claims that depend thereon over Suga in view of Nakai that was made in the first Action. The Office is now rejecting claims 2, 4, 6, 8, 12, 14, 16, 18, 20 and 24 under 35 U.S.C. § 103(a) over Suga in view of Yoshida et al. (U.S. Patent No. 5,066,099) ("Yoshida"). The Office is rejecting claims 22 and 26 under 35 U.S.C. § 103(a) over Suga in view of Yoshida and further in view of the Kashima patent publication cited in the first Action.

The Office cites Suga as disclosing an optical functional sheet which meets the limitations of claim 2 except that Suga does not disclose the light-diffusing phase as forming a continuous phase. Yoshida is cited as teaching "the use of the light diffusing phase (5) arranged in a form of a continuous phase in which the light diffusing phases are mutually coupled in a direction along the sheet surface (Figs. 3 and 6)." (Action, sentence bridging pages 2 and 3).

Applicants respectfully submit that the Office is not properly interpreting or has failed to consider the limitations in claim 2

of (1) the "light diffusing phases and transparent phases each extending in a direction perpendicular to the surface of the sheet"; (2) "the light diffusing phases are mutually coupled in a direction along the sheet surface"; and (3) "transparent phases are arranged in a form of discontinuous phases in which the transparent phases are decoupled by the light diffusing phases." In Yoshida the light diffusing phase is a layer provided on the surface of a transparent base and covers the entire surface of the transparent phase. Such an arrangement cannot meet the above-noted limitations of claim 2 and, particularly, the limitation that the "transparent phases are arranged in a form of discontinuous phases in which the transparent phases are decoupled by the light diffusing phases." Thus, even if Suga and Yoshida are combined, the resultant combination will not be the optical functional sheet of claim 2.

Moreover, as noted above, the light diffusing phase of Yoshida is provided on the surface of a transparent phase and covers the whole surface of the transparent phase. On the other hand, Suga discloses, in column 7 lines 4-11, that "because light-transmitting regions 52 and light-diffusing regions 54 are alternately arranged on the surface of the directional light-diffusing film 70, ... [there is an] increase in the amount of light that passes through the light-transmitting regions 54 without diffusion to exit from

the front, thereby preventing defocusing of the displayed image". That is, it is necessary in the invention of Suga that the surface of the light-transmitting regions is not covered by the light-diffusing regions. Therefore, the optical functional sheet of Suga cited by the Office cannot be properly modified using the teachings of Yoshida to include a continuous light-diffusing phase on the surface thereof.

For the above reasons, the combination of Suga and Yoshida, with or without Kashima, fails to support a *prima facie* case of obviousness of the optical functional sheet recited in claim 2. Therefore, Claim 2 and the claims dependent thereon are also patentable and a formal notice of allowability of all of the claims in the application is in order.

The foregoing is believed to be a complete and proper response to the Office Action dated August 19, 2004, and is believed to place this application in condition for allowance. If, however, minor issues remain that can be resolved by means of a telephone interview, the Examiner is respectfully requested to contact the undersigned attorney at the telephone number indicated below.

In the event that this paper is not considered to be timely filed, applicants hereby petition for an appropriate extension of

PATENT APPLN. NO. 10/659,399
RESPONSE UNDER 37 C.F.R. §1.111

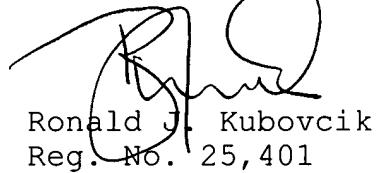
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time. The fee for any such extension may be charged to our Deposit Account No. 111833.

In the event any additional fees are required, please also charge our Deposit Account No. 111833.

Respectfully submitted,

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